



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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June 2, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AN INCREASED TUITION RATE FOR THE COLLEGE OF NURSING
AND ALLIED HEALTH, SCHOOL OF NURSING DIVISION,
AT THE LAC+USC HEALTHCARE NETWORK
(All Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve an increase in the tuition rate from \$1,200 to \$2,400 per semester for full-time new enrollment in the two-year nursing program of Los Angeles County College of Nursing and Allied Health at the LAC+USC Healthcare Network effective Academic Year 2005-2006.
2. Approve and authorize the Director of Health Services, or his designee, to offer an agreement, substantially similar to Exhibit I, to new nursing students at the Los Angeles County College of Nursing and Allied Health, School of Nursing Division, (hereafter known as School of Nursing) effective Academic Year 2005-2006.
3. Authorize and delegate authority to the Director of Health Services, or his designee, the option to increase or decrease the tuition rates in the future at the Los Angeles County College of Nursing and Allied Health at LAC+USC Healthcare Network, by no more than 50%, based on appraisals of other local schools of nursing tuition rates and the Department's staffing needs, subject to review and approval by County Counsel and notification of Board offices.

PURPOSE OF THE RECOMMENDED ACTIONS/JUSTIFICATION:

Approval of the recommended actions will enable the Department of Health Services (DHS) to increase the tuition rate for new enrollees in the School of Nursing from \$1,200 to \$2,400 per semester. This

The Honorable Board of Supervisors

June 2, 2005

Page 2

tuition rate has not been increased since 1997 and brings it more in line with other nursing training programs in Southern California.

Approval of the recommended actions will also authorize the use of new tuition agreements which will replace the agreement currently in use by the School of Nursing to reflect the tuition rate increase. Under the terms of these Tuition Agreements, students will continue to pay \$700 per semester and defer the increased balance until they graduate. Upon graduation and State licensure, students may accept a full-time nursing position at the LAC+USC Healthcare Network or another DHS facility and have their outstanding tuition cancelled at a rate of \$283.33 per month (up from the current cancellation rate of \$84 per month) following the first twelve months of full-time employment (i.e., beginning in the thirteenth month of full-time employment). As alternative options to employment service pay back, students may repay by lump sum or a payment plan. Surveys show an average of 92% of the student body sign tuition agreement contracts but that an average of 54% of graduates do not accept employment with the County. It is believed that the current low repayment plan does not provide sufficient incentive to the students to enter County service.

The tuition rate increase and the new tuition agreement are therefore intended to provide a greater incentive to graduates of the School of Nursing to accept employment with the LAC+USC Healthcare Network or another DHS hospital or facility.

FISCAL IMPACT/FINANCING:

On average, approximately 8% of students pay full tuition rates. For Academic Year 2005-06 (August to May), based on a class size of 100 students each semester, it is estimated that the recommended increase in tuition rate will result in approximately \$29,000 additional revenue to support the School of Nursing. The initial out-of-pocket payment of \$700 per student per semester remains unchanged.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

In May 1973, the Board approved recommendations from the Hospitals Commission and DHS relating to the reorganization of the School of Nursing located on the grounds of LAC+USC. Several recommendations involved the reimbursement of tuition costs for nursing students enrolled in the School of Nursing.

On May 30, 1978 and September 28, 1982, the Board approved tuition agreements with students wishing to participate in the tuition reimbursement program allowing them to repay their loans by working for DHS. Revised agreements were subsequently approved by the Board on July 12, 1988, and January 28, 1992. The last increase in tuition was approved on August 6, 1997 for the Spring term beginning in January 1998.

The recommended agreement will raise the current tuition program from \$1,200 to \$2,400 per semester. The Los Angeles County College of Nursing and Allied Health Board of Trustees, which has oversight of the operations for this program, has recommended this increase.

The Honorable Board of Supervisors
June 2, 2005
Page 3

CONTRACTING PROCESS:

The agreement obligates the student to pay tuition charges to partially offset County costs. Each student is charged \$2,400 per semester, of which \$700 must be paid to the County on or before the first day of each semester and the remaining \$1,700 may be deferred until the student graduates or terminates enrollment.

The agreement allows students to make partial payment of their tuition while attending the School of Nursing (typically a two year program). The agreement also authorizes the County to forgive a prorated portion of the remaining outstanding tuition balance after the student has graduated and worked for a period of twelve months in County service. The amount forgiven is prorated for each subsequent month of County service, and the full amount is forgiven after an additional 24 months.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

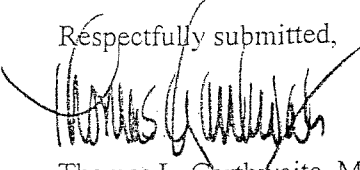
The intended impact of the tuition rate increase is to provide greater incentives to Nursing students graduating from the School of Nursing to accept employment with the LAC+USC Healthcare Network or another DHS facility. This should increase the available pool of qualified Nursing staff required to meet State mandated nurse to patient ratios.

County Counsel has reviewed and approved Exhibit I as to use and form.

Attachments A provides additional information.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:jr

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

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SUMMARY OF AGREEMENTS

1. TYPE OF SERVICES:

To provide students with the opportunity to obtain an experiential edge in becoming clinically competent nurses through education received at the School of Nursing thus providing the Department with the opportunity to retain qualified nursing staff already oriented to DHS facilities and practices.

2. AGENCY ADDRESS/CONTACT PERSON:

Los Angeles County College of Nursing and Allied Health
1237 N. Mission Road
Los Angeles, California 90033
Attention: Doris DeHart, RN
Assistant Nursing Director of Education and Consulting Services/
Financial Aid Administrator
Telephone/Facsimile Number: (323) 226-6511/(323) 226-6427
Electronic Mail Address: ddehart@lacusc.org

3. TERM OF AGREEMENTS:

Continuous.

4. FINANCIAL INFORMATION:

On average, approximately 8% of students pay full tuition rates. For Academic Year 2005-06 (August to May), based on a class size of 100 students each semester, it is estimated that the recommended increase in tuition rate will result in approximately \$29,000 additional revenue to support the School of Nursing. The initial out-of-pocket payment of \$700 per student per semester remains unchanged.

5. DESIGNATED ACCOUNTABLE FOR PROJECT MONITORING:

Pete Delgado, LAC+USC Healthcare Network, Chief Executive Officer.

6. APPROVALS:

LAC+USC Administrator: Dave Runke, Chief Financial Officer

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form): Elizabeth Friedman, Senior Deputy

Contract# _____

LOS ANGELES COUNTY COLLEGE OF NURSING AND ALLIED HEALTH
TUITION AGREEMENT

THIS AGREEMENT is made and entered into this _____ day
of _____, 200__,

by an between COUNTY OF LOS ANGELES (hereafter
"County")

and _____
(hereafter "Student").

Student's Address

WHEREAS, pursuant to the provision of Section 1441 and 1445
of the California Health and Safety Code, County has established
and operates through its Department of Health Services (hereafter
"DHS" or "Department") various County Hospitals/medical centers
and other health facilities; and

WHEREAS, County desires to increase the number of nurses
available to provide services at its various Hospitals/medical
centers and other health facilities; and

WHEREAS, County conducts a nurse education program
(hereafter "Nursing Program") through the Los Angeles County
College of Nursing and Allied Health, (hereafter "School", unless
otherwise stated), which has a main campus at County's DHS Los

Angeles County + University of Southern California (hereafter "LAC+USC") Healthcare Network and off-campus centers (e.g. Olive View Medical Center, etc.), hereafter collectively referred to as "Medical Center" to train interested and qualified individuals in becoming a nurse; and

WHEREAS, County's Board of Supervisors has designated the authority and responsibility for Nursing Program to County's Director of Health Services, or his/her authorized designee (hereafter jointly referred to as "Director"); and

WHEREAS, the above-named Student understands the requirements of Nursing Program at School has requested to be enrolled and has been accepted by Director as a Student in Nursing Program at School; and

WHEREAS, Student has agreed to pay County tuition fees for participating in Nursing Program, all in accordance with the tuition requirements as stated hereinbelow.

NOW, THEREFORE, the parties agree as follows:

1. TERM: This Agreement shall commence on the first day that Student is admitted into the Nursing Program as entered hereinbelow and shall continue in full force and effect until Student has fully performed all of his/her duties and obligations (Director shall determine when Student has fully performed all of his/her duties and obligations, which shall be based on Student's satisfactorily completing Nursing Program's entire curriculum with a passing grade or better, and working the required number of full-time hours to offset any tuition owed to County.)

2. ADMISSION TO COLLEGE: Student has been accepted/

admitted into, and agrees to pursue a full-time course of study in Nursing Program at School beginning _____, 20____, through approximately _____, 20____, (hereafter known as "Academic Term") leading to an Associate Degree in Nursing, subject to School's regulations and policies.

Student agrees in accordance with Paragraph 1. Term herein above, that School may extend Student's Academic Term if 1) School approves a Leave of Absence, 2) Student did not receive a passing grade for any Nursing Program course (i.e. "Course") during the term of this Agreement. For Students not receiving a passing grade for any course during said term, Students will be required to repeat such course, and pay additional tuition fees, not to be deferred under this agreement, above tuition fee dollar amount listed in Paragraph 5, TUITION CHARGES, hereinbelow, for each course in which a passing grade was not received.

3. DUTIES OF COUNTY: County agrees to:

A. Admit Student to School and provide Student, subject to School's regulations and policies, with all Nursing courses necessary to lead to an Associate Degree in Nursing.

B. Allow Student to retake any given course should Student's grades fall below passing scores according to School's policy.

C. Following receipt of their Interim Permittee/Registered Nurse status by California's Board of Registered Nursing, appoint Student to a full-time Interim Permittee/Registered Nurse position at Medical Center, or any other health facility operated by County's DHS in the order of

priority as established by the Director, subject to Civil Service rules and DHS policies.

D. Use its discretion to approve a Leave of Absence to Employee should County determines an urgent situation has arisen requiring the deferment of the balance of tuition repayment until Employee returns to work.

4. DUTIES OF STUDENT: Student agrees to:

A. Maintain a satisfactory performance, as determined by School, while attending the Nursing Program, and to graduate from the School at the end of the program;

B. Render a minimum of two (2) years of satisfactory full time employee with County as an Interim Permittee or a Registered Nurse at Medical Center or another DHS facility designated by Director, upon Student's graduation from the Nursing Program.

C. For Students not working the required number of full-time hours to completely defer tuition payments owed to County, Student will be required to pay County remaining tuition fees owed.

5. TUITION CHARGES: Schools tuition charges are Two Thousand Four Hundred Dollars (\$2,400) per semester. Student's liability for the total tuition charges for each semester shall accrue on the first day of each semester. Student shall:

A. Pay to County Seven Hundred Dollars (\$700.00) per semester, such sum to be due and payable on or before the first day of each semester.

B. Pay the balance of tuition charges up to One

Thousand Seven Hundred Dollars (\$1,700) per semester as provided for as an option in this Agreement hereinbelow. Providing that Student is absent on approved leave, the balance of tuition charges shall be deferred until Student returns to School.

C. Except as provided in Paragraph 9, STUDENT DISABILITY OR DEATH, repay County for all tuition costs incurred by County for Student as a Nursing Student or satisfy Student contractual employment requirements under this Agreement.

Notwithstanding any other provision of this Agreement, County may in its sole discretion, increase or decrease the tuition charges per semester and any change in the tuition charges shall be effective beginning the succeeding semester, provided the Student is given at least forty-five (45) days advance written notice of any changes in the tuition charges.

6. OPTIONS TO SATISFY DEFERRED TUITION IF STUDENT GRADUATES FROM SCHOOL: Upon graduation from School, Student shall either:

A. Accept County employment at Medical Center as an Interim Permittee/Registered Nurse in a County Civil Service position requiring a Registered Nurse within four months of graduation and upon Student's successful completion of the State licensing requirements for Interim Permittee/Registered Nurse. If no vacancy exists at Medical Center at the time of graduation for either an Interim Permittee or a

registered nurse, Student may be assigned to any other health facility operated by County's DHS in the order of priority as established by Director's sole discretion. Appointment to, and continuation in, all such positions shall be subject to all applicable Civil Service rules and DHS policies. Employment at Medical Center shall be subject to the availability of vacant positions and overall qualifications of Student as determined by Medical Center's Director of Nursing; employment at any other DHS health facility shall also be subject to the availability of the vacant positions and overall qualifications of Student as determined by the Director of Nursing at such other DHS health facility. Student shall obtain such County employment as close to graduation as possible, and shall work for County on a continuous full-time basis for a one (1) year period (i.e., a minimum of 1,796 actual hours worked within a twelve [12] month period) at Medical Center or at any other DHS health facility (or any combination of actual hours at either facility) after which, the total accrued tuition charges still owed to County shall begin to be reduced by the sum of Two Hundred Eighty Three Dollars and Thirty-Three Cents (\$283.33) for each additional month Student remains in County employment, commencing with the thirteenth (13th) month, as specified in Attachment A "TUITION CHARGES SCHEDULE", with the exception that accrued tuition still owed upon approved leave of absence, vacation, sick leave, or other time off, (including but not limited to

any unauthorized time off) shall remain the same (i.e., shall not be reduced) until Student returns to work. All of the accrued tuition charges still owed upon voluntary termination of County employment, discharge under applicable Civil Service rules, or failure to qualify for the position under applicable Civil Service rules or DHS policies, shall become due and payable immediately upon such termination, discharge, or failure to qualify, and the unpaid balance of such sum shall accrue interest at the rate of five percent (5%) per annum from and after the date due and payable. Upon such termination, discharge, or failure to qualify, Student authorizes County to recover the total accrued tuition charges still owed, plus interest, by any means provided by law; OR

B. Pay County, at an agreed upon amount per month, the total accrued deferred tuition charges, plus interest on the unpaid balance at the rate of five percent (5%) per annum from and after the date of graduation. The agreed upon monthly payments shall be in an amount sufficient that the total accrued deferred tuition charges, plus interest, shall be paid to County in equal monthly payments over a period of time established by County, not to exceed two (2) years. If Student fails to make a scheduled monthly payment, then the total accrued deferred tuition charges still owed to County, plus interest, shall become immediately due and payable to County.

7. PAYMENT OF DEFERRED TUITION IF STUDENT DOES NOT GRADUATE FROM SCHOOL

A. If Student does not graduate from School because of termination of enrollment for any reason prior to the beginning of classes, Student shall receive a tuition refund for such semester in accordance with School policy and this Agreement shall be automatically cancelled on the date of termination of enrollment.

B. If Student does not graduate from School because of termination of enrollment for any reason after the first day of classes Student shall pay County, a lump sum amount of all tuition owed or an agreed upon amount per month, the total accrued deferred tuition charges, plus interest on the unpaid balance at the rate of five (5%) percent per annum from and after the date of termination of enrollment minus any applicable tuition refund in accordance with School policy. The agreed upon monthly payments shall be in an amount sufficient that the total accrued deferred tuition charges, plus interest, shall be paid to County in equal monthly payments over a period of time established by County not to exceed two (2) years. If Student fails to make any scheduled monthly payment, then the total accrued deferred tuition charges still owed, plus interest, shall become immediately due and payable to County.

8. COUNTY'S COLLECTION COSTS: In the event that Student fails to make any payment to County as described in Paragraphs 6 and 7 above, then County, in its sole discretion may charge

Student for all costs to collect the tuition charges owed by Student, and Student shall pay County such collection costs as determined by County.

9. STUDENTS DISABILITY OR DEATH: If Student's failure to graduate from School after the first day of classes, or if Student's termination of County Employment required for the tuition reduction as set forth in Paragraph 6(A) above, is caused by Students death or physical or mental disability as determined by Director, then Student, or Student's estate, shall be released from the terms of this Agreement and no further payment of any accrued tuition charges or interest shall be required.

10. COMPLETE FULFILLMENT OF STUDENT'S OBLIGATIONS: At such time that Student has fully performed all of his/her duties and obligations by: 1) satisfactory completion of County's Nursing Program's entire curriculum with a passing grade or better, as determined by School, and 2) worked the required number of full-time hours to completely reimburse County for accrued deferred tuition payments, County shall consider Student's obligation fulfilled.

11. STUDENT'S ADDRESS: Student shall inform Director in writing of any change of Student's address as listed on the first page of this Agreement, within ten (10) calendar days.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by the

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County's Director of Health Services, and Student has caused this Agreement to be subscribed in his/her behalf the day, month and year first above written.

COUNTY OF LOS ANGELES

STUDENT:

By Thomas L. Garthwaite, M.D.
Director and Chief Medical
Officer

By
Signature Date

Printed Name

JR/Agree-NursTuition
6-1-05

TUITION CHARGES SCHEDULE
SCHOOL OF NURSING - TUITION PROGRAM

Months in Program	Deferral of Tuition Costs (a)*	Months in County Services	Tuition Credit Balance Owed (b)*
		1-12	0
1	\$283.33	13	\$6,516.67
2	\$566.66	14	\$6,233.34
3	\$849.99	15	\$5,950.01
4	\$1133.32	16	\$5,666.68
5	\$1416.65	17	\$5,383.35
6	\$1699.98	18	\$5,100.02
7	\$1983.31	19	\$4,816.69
8	\$2266.64	20	\$4,533.36
9	\$2549.97	21	\$4,250.03
10	\$2833.30	22	\$3,966.70
11	\$3116.63	23	\$3,683.37
12	\$3399.96	24	\$3,400.04
13	\$3683.29	55	\$3,116.71
14	\$3966.62	26	\$2,833.38
15	\$4249.95	27	\$2,550.05
16	\$4533.28	28	\$2,266.72
17	\$4816.61	29	\$1,983.39
18	\$5099.94	30	\$1,700.06
19	\$5383.27	31	\$1,416.73
20	\$5666.60	32	\$1,133.34
21	\$5949.93	33	\$850.07
22	\$6233.26	34	\$566.74
23	\$6516.59	35	\$283.41**
24	\$6800.00*	36	\$0.00

(a) The amount deferred per semester is $\$1,700 \times 4 = \$6,800$ Total deferral of tuition cost.

(b) Starting the thirteenth month of County employment, a reduction of \$283.33 is applied monthly to each additional month of such County employment. Repayment of the total accrued tuition charges is completed after two (2) years (or thirty-six [36] months) of County employment.

* Adjusted to reflect an increase of \$283.41 instead of \$283.33

** Adjusted to reflect a decrease of \$283.41 instead of \$283.33

Note: This Schedule may be affected by the provisions of Paragraph 3. D. which allow Student to defer the balance when approved leave has been granted; and Paragraph 6. A. and 6.B. to allow Student/Worker to repay County if school/work was not completed.